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To whom it may concern

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Notice Regarding Disposal of Treasury Stock as “Restricted Stock Incentive” for Starzen Employee Shareholding Association

Starzen Co., Ltd. (hereinafter, “Starzen” or the “Company”) hereby announces that it resolved at a meeting of the Board of Directors dated February 20, 2025 to introduce a system* to grant restricted stock (hereinafter, the “System”) to employees of Starzen and its subsidiaries in Japan (hereinafter the “Starzen Group”) through the Starzen Employee Shareholding Association (hereinafter, the “Association”) and at a meeting of the Board of Directors held today to dispose of treasury stock as restricted stock (hereinafter, the “Treasury Stock Disposal” or “Disposal”), with the Association as the scheduled allottee, as described below.

*A special incentive payment of 100,000 yen per person, in the form of a monetary claim for the purpose of granting restricted stock under the System, will be provided to employees of the Starzen Group who are members of the Association, continue making regular contributions, and agree to participate in the System.

1. Outline of the Disposal

(1) Date of Disposal	October 31, 2025
(2) Class and number of shares to be disposed of	199,580 shares of the Company’s common stock (Note 1)
(3) Disposal price	1,169 yen per share
(4) Total value of Disposal	233,309,020 yen
(5) Method of Disposal	Third-party allotment
(6) Scheduled allottee	Association: 199,580 shares

(7) Other	An Extraordinary Report has been submitted in accordance with the Financial Instruments and Exchange Act regarding the Treasury Stock Disposal.
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(Note 1) The figures for the “number of shares to be disposed of” and “total value of Disposal” specified above are maximum amounts. The actual number of shares to be disposed of and total value of Disposal is expected to be determined based on the acceptance of members in the Association and the number of employees of the Starzen Group whose consent to the System is confirmed, etc.

2. Purpose and the Reasons for the Disposal

Starzen introduced the System to increase the motivation of employees of the Starzen Group to contribute to the enhancement of corporate value, and as part of this initiative, to further encourage membership in the Association.

The restricted stock will be granted only to members in the Association who are employees of the Starzen Group and have consented to the acquisition of the interest in stock allotted to the Association and who are residents of Japan (hereinafter, the “Eligible Employees”).

The outline of the System is as follows:

< Outline of the System >

Under the System, Eligible Employees will be provided with monetary claims (hereinafter, the “Monetary Claims”) for the grant of restricted stock, and Eligible Employees will contribute these Monetary Claims to the Association. The Association will then receive the issuance or disposal of Starzen’s common stock as restricted stock by making contributions in-kind to Starzen of the Monetary Claims contributed by Eligible Employees.

When common stock of the Company is to be newly issued or disposed of under the System, the amount to be paid per share will be determined by the Board of Directors based on the closing price of Starzen’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution by the Board of Directors regarding the issuance or disposal (or the closing price on the transaction day immediately prior thereto if no transaction is made on such date) to the extent such amount is not particularly advantageous to the Association (and the Eligible Employee).

When issuing or disposing of Starzen’s common stock under the System, Starzen and the Association will execute a restricted stock allotment agreement, which will include provisions such as (1) prohibiting the Association from transferring, creating any security interest on, or otherwise disposing of the allotted shares to a third party (hereinafter the “Transfer Restrictions”) during a certain period, and (2) providing for Starzen to acquire the allotted shares without payment if certain events occur. Furthermore, the Monetary Claims will be paid to the Eligible Employee on the condition that the restricted stock allotment agreement is executed between Starzen and the Association.

Moreover, pursuant to the Rules of the Association (hereinafter the “Association Rules”) (Note 2), Eligible Employees will be restricted from withdrawing the restricted stock corresponding to their equity interests in the restricted stock acquired by the Association through issuance or disposal (hereinafter the “Restricted Stock Equity Interest”) until the Transfer Restrictions on such restricted stock are lifted.

(Note 2) The Association plans to resolve at a meeting of its Board of Directors to be held promptly after the date of the resolution of the Board of Directors to amend the Association Rules to accommodate the System prior to the Disposal. Such amendments shall take effect two weeks after the date of the meeting of the Board of Directors, provided that less than half of the members in the Association object.

< Outline of Disposal >

Starzen resolved for the Starzen Group to grant Monetary Claims totaling 233,309,020 yen to the Eligible Employees and to grant a total of 199,580 shares of Starzen's common stock (hereinafter "Allotted Shares") to the Association in exchange for the Association's contribution in-kind of such Monetary Claims contributed by the Eligible Employees to the Association.

The Disposal will be by way in which the Starzen Group grants the Monetary Claims to Eligible Employees and then disposes of treasury stock to the Association in exchange for the contribution of the Monetary Claims. The number of shares to be disposed of will be determined at a later date as described in (Note 1) of 1. Outline of Disposal above, but a maximum of 199,580 shares are scheduled to be disposed of to the Association.

The dilution caused by the Treasury Stock Disposal will be 0.34 % (rounded off to two decimal places; hereinafter the same in the calculation of percentages) of 58,567,656 total shares issued as of September 30, 2025 and will be 0.35 % of 570,721 total voting rights as of September 30, 2025.

< Outline of the Restricted Stock Allotment Agreement >

The details of the restricted stock allotment agreement to be entered into between Starzen and the Association (hereinafter the "Agreement") are as follows:

(1) Transfer restriction period

The Association is prohibited from transferring, creating any security interest on, or otherwise disposing of the Allotted Shares during the period from October 31, 2025 (the payment date) through July 1, 2030 (the "Transfer Restriction Period").

(2) Conditions for lifting of Transfer Restrictions

On the condition that the Eligible Employee has been a member of the Association throughout the Transfer Restriction Period, the Transfer Restrictions will be lifted upon the expiration of the Transfer Restriction Period for the number of Allotted Shares corresponding to the Eligible Employee's Restricted Stock Equity Interest. However, if an Eligible Employee withdraws from the Association due to retiring upon reaching the mandatory retirement age (or, if re-employed after retirement, upon the expiration of the re-employment period; the same applies hereinafter regarding mandatory retirement age), voluntary retirement at age 60 or older, or other reasons deemed valid by the Board of Directors, the Transfer Restrictions will be lifted on the first business day of the month in which the settlement date for the Eligible Employee's withdrawal from the Association falls (hereinafter referred to as the "Settlement Release Date") on the number of shares corresponding to the Restricted Stock Equity Interest held by such Eligible Employee as of the settlement date.

If these conditions are satisfied, the Company shall notify the Association regarding the lifting of the Transfer Restrictions and the number of Allotted Shares for which the Transfer Restrictions will be lifted, and the Association shall, in accordance with the provisions of the Association Rules, transfer the interest in the

Allotted Shares for which the Transfer Restrictions were lifted out of the Restricted Stock Equity Interest held by the Eligible Employee who satisfied the conditions to the member equity interest (hereinafter the “Ordinary Equity Interest”) held by such Eligible Employee in relation to the shares acquired by the Association outside of the System.

(3) Treatment upon terminating membership in the Association

If an Eligible Employee terminates membership in the Association (except as provided in (2) above) during the Transfer Restriction Period, the Company shall acquire without consideration the Allotted Shares for which the Transfer Restrictions have not been lifted, as of the date on which the Association receives the notice of termination of membership from such Eligible Employee.

(4) Acquisition by Starzen without consideration

The Company will automatically acquire without consideration the Allotted Shares for which the Transfer Restrictions have not been lifted as of the expiration of the Transfer Restriction Period or at any other time specified in the Agreement.

(5) Management of shares

In order to ensure that the Association does not transfer, create any security interest on, or otherwise dispose of the Allotted Shares during the Transfer Restriction Period, the Allotted Shares shall be managed in a dedicated account opened by the Association at Daiwa Securities Co., Ltd. Furthermore, in accordance with the Association Rules, the Association shall register and manage the Restricted Stock Equity Interests held by the Eligible Employees in relation to the Allotted Shares separately from the Ordinary Equity Interests held by such Eligible Employees in relation to the shares acquired by the Association outside of the System.

(6) Treatment upon reorganization, etc.

In cases where, during the Transfer Restriction Period, a merger agreement in which the Company will be the disappearing company, a share exchange agreement or a share transfer plan in which the Company will become a wholly-owned subsidiary, or other matters regarding reorganization, etc. are approved at a general meeting of shareholders of the Company (or, if the reorganization, etc., in question does not require approval from a general meeting of shareholders of the Company, by the Board of Directors of the Company), the Company will, by a resolution of the Board of Directors, lift the Transfer Restrictions as of the date immediately prior to the business day preceding the effective date of the reorganization, etc. (hereinafter, the “Effective Date of Reorganization”) for the number of the Allotted Shares (any amount less than 1 share is rounded off) that is derived by multiplying the number of shares corresponding to the Restricted Stock Equity Interest held by such Eligible Employee as of the Effective Date of Reorganization by the number of months from October 2025 to the month of the Effective Date of Reorganization divided by 57. In addition, in the cases specified above, at the time immediately after the Transfer Restrictions are lifted, the Company will automatically acquire without consideration the Allotted Shares for which the Transfer Restrictions are not lifted.

3. Basis of Calculation and Specific Details of the Amount to be Paid

The Treasury Stock Disposal will be carried out by the Eligible Employees contributing the Monetary Claims to the Association as property contributed in-kind for the granting of restricted stock. The amount to be paid per share is 1,169 yen, which is the closing price of the Company’s common stock on the Tokyo Stock Exchange on

October 8, 2025 (the business day immediately prior to the date of the resolution of the Board of Directors), in order to adopt a price that is not arbitrary. This price is the market value immediately prior to the date of the resolution of the Board of Directors, is a reasonable price that properly reflects the Company's corporate value in the absence of special circumstances indicating that the most recent stock price should not be relied upon, and is objective and reasonable and not especially favorable to the Association.

Note that the deviation rate (rounded off to two decimal places) of 1,169 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange (Prime Market) on October 8, 2025, the business day immediately preceding the date of the resolution by the Board of Directors, from the average closing price of Starzen shares on the Tokyo Stock Exchange is as follows.

Period	Average closing price (any amount less than 1 yen is rounded off)	Deviation rate
1 month (September 9, 2025~October 8, 2025)	1,204 yen	-2.91 %
3 months (July 9, 2025~October 8, 2025)	1,186 yen	-1.43 %
6 months (April 9, 2025~October 8, 2025)	1,158 yen	0.95 %

The Audit Committee (consisting of four Audit Committee Members, including two outside Audit Committee Members) at its meeting today expressed the opinion that Starzen's process of determining that the foregoing disposal price will not be particularly advantageous to the Association as the allottee is reasonable and that such determination is legitimate, in light of the fact that the purpose of the Treasury Stock Disposal is to introduce the System and that the disposal price is the closing price on the business day immediately preceding the date of the resolution of the Board of Directors.

4. Matters related to procedures under the Code of Corporate Conduct

With regard to the Treasury Stock Disposal, since (1) the dilution rate is less than 25% and (2) it does not involve the change of the controlling shareholder, there is no need to take procedures for acquiring the opinion of an independent third party and confirming the intention of shareholders as set forth in Article 432 of the listing regulations prescribed by the Tokyo Stock Exchange.